

## REMARKS/ARGUMENTS

By this paper, Applicant replies to the Office Action of March 17, 2010 and respectfully requests reconsideration of the application.

Claims 28-46 are now pending. Claims 28 and 40 are independent.

### I. Claim 28 and Wiseman '446

#### A. The Action makes no showing that Wiseman '664 corresponds to claim 28

Isolated bits and pieces of claim 28 are compared to Wiseman '446 at paragraph 8 of the Action, but most of the claim is simply ignored. Paragraph 8 is too incomplete to raise any rejection. Claim 28 recites as follows:

28. A method comprising the steps of:

[i] at a computer system, receiving a first order from a first party, in which the first order indicates a **first spread** with which to make a market for a financial instrument and a **second spread** at which to make a market for the financial instrument, and in which the first order includes an **acceptance by the first party** to participate in the market at the first spread and an acceptance by the first party to **make a market at the second spread** if the second party accepts the command;

[ii] at the computer system, receiving a second command from the second party, in which the second command comprises at least one of an acceptance of the first **spread** and an acceptance of the second **spread**;

[iii] **if** the second command comprises the acceptance of the first spread, **requiring the first party to submit a third command** indicating at least one of a buy and a sell of the financial instrument at a price reflecting the first spread, and

[iv] **if** the second command comprises the acceptance of the second spread, **requiring the second party to submit a third command** indicating at least one of a buy and a sell of the financial instrument at a price reflecting the second spread.

The Office Action reflects no attempt to match any reference to the precise claim language. The Office Action merely cites Wiseman '446 col. 3, line 10 though col. 4 line 30 against paragraphs of the claim. The cited portions of Wiseman '446 are as follows:

respect to a particular commodity. The trading party 10  
need only select a commodity (if it differs from a pre-set  
default commodity) and a party to trade with (a coun-  
terparty); the trading party then transmits the quote  
request to the counterparty. The trader's choice of com- 15  
modities and counterparties is limited to those displayed  
on the slate, which in turn are determined by those  
listed in the trader's profile. The trader can optionally  
designate an amount in the quote request. The system  
checks to see if this amount is within a predesignated  
range that is stored in the trader's profile for the se- 20  
lected transaction. If the amount is not within the pre-  
designated range, the trader is requested to confirm the  
amount before the quote request is transmitted.

This quote request can be answered by any trader at  
the selected subscriber site who is permitted (by his 25  
profile) to trade in the particular commodity. The call is  
initially sent to all traders of the selected commodity at  
the selected subscriber site who have primary status. If  
no traders with primary status at the selected subscriber  
site are logged on the system, the call is sent to traders 30  
with secondary status. A trading station that receives a  
call places it on an incoming calls queue from which a  
trader can randomly select it if he wishes to answer the  
call. The queue displays the identity of the party (the  
bank name and trader's first name) sending the quote 35  
request and the commodity for which a quote is re-  
quested. The answering trader is called the counter-  
party. The counterparty may selectively transmit a  
quotation in accordance with the request, or he may  
transmit a signal indicating that he does not want to 40  
quote a price. If the counterparty decides to transmit a  
quote after answering an incoming quote request, the  
counterparty then may enter bid and offer amounts  
corresponding to the prices at which he is willing to buy  
and sell the commodity. The counterparty can also 45  
enter an amount on which the quoted price is based, if  
the trader failed to do so, or the counterparty can  
change the amount that the trader transmitted with the  
quote request. The counterparty then transmits the  
quote to the trading party. As with the trader quote 50  
request, any amount entered is checked by the system  
against the predesignated range limits in the counterpar-  
ty's profile. If the amount is not within the predesi-  
gnated range, the counterparty is requested to confirm  
the amount before the quote request is transmitted. 55

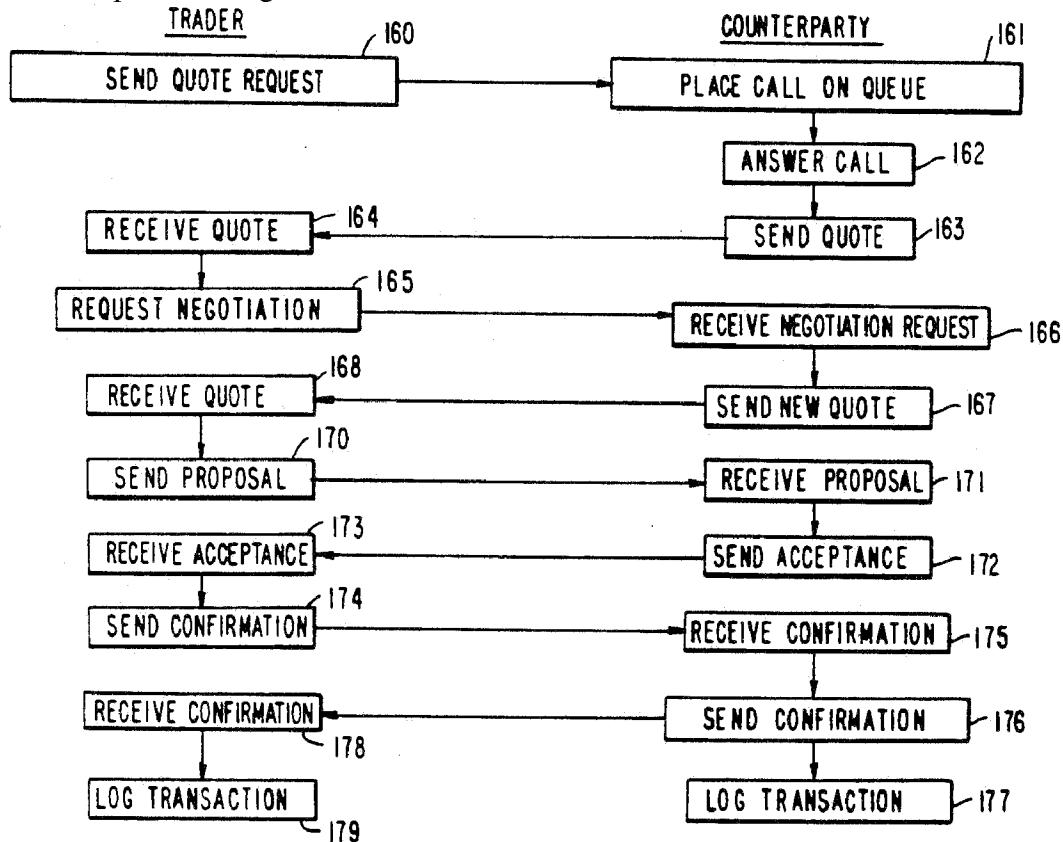
The trading party may then make a proposal to either  
buy or sell a designated amount of the commodity at the  
quoted prices, or he may decline to continue the trans-  
action and end the communication. The trading party  
may also seek to negotiate the terms of the quote by 60  
transmitting one of several pre-programmed responses  
to induce the counterparty to alter the bid or offer  
prices or change the amount of the transaction. Several  
rounds of such negotiations can occur. The counter-  
party may also change his quote at any time before the 65  
counterparty receives a proposal. Assuming that the  
trading party elects to propose a trade, he can propose  
to buy or sell the amount of the commodity, if any, that

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was transmitted with the quote, or any lesser amount,  
unless he transmitted a quote request on an exact  
amount that the counterparty quoted on. If no amount  
was transmitted with the quote, a default dealt amount  
5 will be supplied by the system based on data in the  
trader's profile. As with the quote request, any amount  
is checked against the range limits stored in the profile,  
and the trader is asked to confirm any amount outside of  
the range before transmitting the proposal.

10 After the trader transmits a proposal, the counter-  
party must accept the proposal. In one embodiment,  
however, the trader may change his proposal if the  
change signal the trader transmits is received by the  
counterparty before the counterparty transmits an ac-  
15 ceptance. Before agreeing to the transaction, the coun-  
terparty may decrease the amount of the transaction;  
but if the counterparty quoted for a specific amount, he  
may not decrease the amount of the transaction below  
that amount. The amount is then checked against the  
20 stored range limits before transmission. When the trad-  
er's trading station receives an acceptance of the pro-  
posal, a signal acknowledging the receipt is automati-  
cally transmitted to the counterparty trading station.  
25 The network then transmits to the trader trading station  
a second acknowledgment signal confirming receipt of  
the original acknowledgment signal. The deal is logged  
as a completed transaction at each subscriber site upon  
receipt at the subscriber site of an acknowledgement  
30 signal.

The Action also points to Fig. 5, elements 160-167, as follows:



All that is apparent in the cited portion of Wiseman '446 is a traditional request for quote system:

A "trading party" sends a request for quote (col 3, line 10, Fig. 5 ref 160).	None of the features of paragraph [i] are apparent in Wiseman's request for quote.
The "counterparty" or "trader at the selected subscriber site" sends back a two-sided quote, that is, a bid price at which the counterparty will buy, and an ask price at which the counterparty will sell. (col. 3, lines 43-45, Fig. 5 ref. 163).	The only apparent pertinence of Wiseman '446 is that a two-sided quote <i>could conceivably</i> be considered a "spread," if it had the other features of the claim. However, no meaningful pertinence to the other features of the claim is apparent, and the Action does not explain any, let alone "clearly."
The original "trading party" may either buy or sell at either the quoted bid or ask price, or may negotiate one side of the trade. (col. 3, line 56-58). From this point forward, Wiseman '446—like Kaminsky '967, Gary '707, Fraser '214, which have already been withdrawn—only discusses one-sided bids or offers, not a "spread."	Only the most distant pertinence of col. 4, lines 11-30, or Fig. 5, elements 171-178 to the claim language is apparent; no basis for rejecting claim 28 is apparent.

No relationship to the following claim terms is apparent in the Office Action:

- The "first spread" and "second spread"
- "the first order includes an acceptance by the first party to participate in the market at the first spread"

- “acceptance by the first party to make a market at the second spread if the second party accepts the command”
- “second command comprises at least one of an acceptance of the first **spread** and an acceptance of the second **spread**”
- The relationships between the first and second spreads recited in the claim

If any future Action rejects any claim over the art, Applicant requests a precise comparison of at least these specific claim limitations to the art.

The Action is insufficient to demonstrate a *bona fide* effort to examine claim 28, and is procedurally insufficient to raise any rejection.

Likewise, no apparent relationship exists between claim 40 and the cited portions of Wiseman '664. The dependent claims are patentable with claims 28 and 40.

**B. Applicant *again* asks the Examiner to follow the PTO's instructions to examiners regarding examination**

This is now the *fifth* Office Action on a *fourth* reference. The claims have been amended only in immaterial respects over the last three years. This fifth Action repeats almost the same errors as the third and fourth, with very little forward progress, because the Action fails to engage with the claim language. Applicant *again*<sup>1</sup> draws the Examiner's attention to 37 C.F.R. § 1.104(c)(2), which reads as follows:

**§ 1.104 Nature of examination.**

*(c) Rejection of claims.*

(2) ... When a reference ... shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified.

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<sup>1</sup> For example, Applicant's Pre-Appeal of July 15, 2009 directly invoked § 1.104(c)(2): If any further rejection is raised, Applicant requests compliance with 37 C.F.R. § 1.104(c)(2), which requires that an Office Action *both* designate portions relied on, *and* “clearly explain” the pertinence if there is any ambiguity or question. This will greatly facilitate prosecution, by preventing erroneous rejections, and by making the grounds for correct rejections unambiguous. In particular, Applicant requests that any future Office Action “clearly explain” how any reference corresponds to the “spread” and to the “making a market” limitations of claim 28. This issue has been raised and resolved twice in the past, and the identical issue now arises for a third time. Applicant suggests that “short cutting” and omitting the “clear explanation” required by § 1.104(c)(2) is leading to delay.

That is, in situations where the reference discloses anything more than or in addition to the invention claimed, as here, Rule 1.104 requires an Office Action must do two things:

(i) “designate” portions as nearly as practicable, and (ii) “clearly explain” the pertinence. The PTO’s higher-ups have repeatedly instructed examiners that they must fully consider claim language and explain the basis for all rejections. “The examiner must present a full and reasoned explanation of the rejection in the statement of the rejection, *specifically identifying underlying facts* and any supporting evidence.”<sup>2</sup> Applicants are not required to “guess as to the basis of the rejection” or to “further guess... what part of [the references] supports the rejection.”<sup>3</sup>

It is the Examiner’s job under § 1.104(c)(2) to explain any “pertinence” thought to exist, unless that pertinence is “apparent,” that is, “open to ready observation or full view.”<sup>4</sup> Because the reference does not use the word “spread,” and does not apparently discuss “requiring” any party to do the things recited in paragraphs [iii] and [iv] of the claim, no pertinence is “apparent.” At best, some attenuated relationship between the claim and the cited portions of Wiseman ’446 can be inferred, but an attenuated relationship that “can be inferred” is not pertinence that is “apparent.” This lack of “apparent” pertinence triggered the Examiner’s duty under 37 C.F.R. § 1.104(c)(2) to “clearly explain” the pertinence. The Action didn’t meet the Examiner’s duty, and Applicant is unable to read the Examiner’s mind. Because the Examiner *didn’t do his job*, prosecution remains stuck where it has been for two previous Actions.

This Applicant finds himself in much the same position at the Board found itself in *Ex parte Braeken*.<sup>5</sup> There, the Board found itself stymied, and unable to decide an appeal, because the examiner had not given a meaningful explanation of the correspondence between the claim and the reference, or analyzed the differences. The Board instructed that examiner as follows:

We recommend that the examiner determine the differences between claim 1 on appeal and Christenson by filling in the blanks in the following reproduction of claim 1 to the applicable column and line of Christenson:

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<sup>2</sup> *Ex parte Berg*, <http://des.uspto.gov/Foia/ReterivePdf?system=BPAI&fNm=fd020456> at 4, 2002 WL 32346092 at \*2 (BPAI Feb. 6, 2003) (non-precedential).

<sup>3</sup> *Ex parte Schricker*, 56 USPQ2d 1723, 1725 (Bd. Pat. App. & Interf. 2000).

<sup>4</sup> Webster’s Third New International Dictionary.

<sup>5</sup> *Ex parte Braeken*, 54 USPQ2d 1110, 1112-13 (BPAI 1999).

High solids (col. --, line --) air-drying (col. --, line --) or semi-drying (col. --, line --) alkyd (col. --, line --) paint (col. --, line --) comprising:

(i) as [a] binder, a conventional air-drying (col. --, line --) or semi-drying (col. --, line --) long-oil (col. --, line --) or medium-oil (col. --, line --) alkyd resin (col. --, line --)

(ii) as [a] reactive diluent, an oligomer prepared by the reaction of a polyol (col. --, line --), fatty acids (col. --, line --) and a polyisocyanate (col. --, line --) ...;

(iv) pigments (col. --, line --), fillers (col. --, line --) and auxiliaries (col. --, line --) in sufficient amounts to limit VOCs [volatile organic compounds] to at most 250 g/l (col. --, line --).

Note that the Board demands limitation-by-limitation consideration of the claim language, not paragraph-by-paragraph. If the Board can't figure out what an examiner did not put on paper, an applicant that is hundreds of miles away is in no better position. It is crucial to efficient examination, and an essential part of the "compact prosecution" bargain, that the examiner show limitation-by-limitation correspondence between a claim and the reference with the precision that the Board requests in *Braeken*.

### **C. Careful Office Actions are crucial to reducing the PTO's backlog**

A careful explanation of the correspondence between the claim and the reference is essential to efficient examination:

- Careful consideration of claim language prevents an examiner from issuing wasted Office Actions. Had the Examiner carefully considered the claim language in any of the four Actions since January 2008, this application would have issued long ago. The Examiner's self-interest would counsel careful consideration of all claim language, so no wasteful rejections are raised.
- Careful consideration of all limitations of independent claims is crucial to examiner efficiency in preparing an Action. The Examiner's effort on the dependent claims in the third and fourth Actions was a total waste of his own time, occasioned solely by the Examiner's careless omission of consideration of limitations in the independent claims. If, as Applicant believes, claim 28 is patentable over the new reference raised now, and this Action arises from nothing more than careless neglect of the claim language, then the time spent on the dependent claims is a waste yet again. Applicant urges the Examiner to consider the effect of carelessness in his own self-interest.
- If some subtle correspondence between a reference and the claim exists but it is not facially "apparent," an Action that communicates the Examiner's thoughts will inform the applicant, the applicant will amend the claims, and prosecution will conclude.
- If the Action "clearly explains" pertinence as required by § 1.104(c)(2), and the Action is wrong, it is then easy for an applicant to explain the error, and help the examiner past the error. If the examiner is silent, then correcting omissions is far more difficult.

On the other hand when an Examiner intentionally plays “hide the peanut” or is unintentionally careless, as in the last four Actions in this application, prosecution drags on and on.

Applicant *again* asks the Examiner to do his job, do it as specified by the PTO’s “compact prosecution” rules, do it completely, do it with care. The Examiner’s short-cutting and omission of “clear explanation of pertinence” is the sole cause of the protracted prosecution and delay in this application. If any *sixth* Action is issued, Applicant requests that it reflect a genuine effort to advance prosecution.

## II. Conclusion

Applicant hereby authorizes the USPTO to communicate with any authorized representative concerning this application by electronic mail.

A Petition for Extension of Time extends the shortened statutory period through September 17, 2010. Accordingly, this reply is timely. In the event that further extension of time is required, Applicant petitions for that extension of time required to make this reply timely.

In view of these remarks, Applicant respectfully submits that the claims are in condition for allowance. For the entire pendency of this application, the Commissioner is hereby authorized to charge any additional required fees (including all extension of time fees), or credit any overpayment, to Deposit Account No. 50-3938, Order No. 01-1040.

Respectfully submitted,  
BGC PARTNERS, INC.

Dated: September 17, 2010

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